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UNCLAS MUSCAT 001514

SIPDIS

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E.O. 12958: N/A

TAGS: [BEXP](#) [ECON](#) [PREL](#) [PINR](#) [MU](#)

SUBJECT: NEW OMANI AMBASSADOR IS ALL BUSINESS

REF: A. MUSCAT 1501

[B](#). MUSCAT 642

[1](#)1. (U) Summary: In a meeting with U.S. and Omani business executives, Oman's new ambassador-designate to the U.S. Hunaina al-Mughairy expressed optimism over the bilateral economic relationship and elicited the assistance of the business community in identifying project opportunities -- and obstacles -- to conducting business in Oman. End Summary.

UPBEAT ABOUT THE FTA

[1](#)2. (SBU) On October 5, Ambassador-designate to the United States Hunaina bint Sultan bin Ahmed al-Mughairy met with members of the Muscat American Business Council (MABC) to discuss the bilateral economic relationship. Mughairy, most recently the New York representative of Oman's Center for Investment Promotion and Export Development (OCIPED) as well as the commercial attach to Oman's Mission to the UN (ref B), stated that the recently concluded US-Oman Free Trade Agreement (FTA) represented an excellent opportunity for Oman to expand, in breadth and quantity, its exports to the U.S. (Note: Mughairy revealed that Commerce and Industry Minister Maqbool bin Ali Sultan intends to travel to the United States when it is time to sign the agreement. End note.) Mughairy stressed the importance of promoting the FTA by hosting seminars and other events to explain its benefits to local companies.

[1](#)3. (U) Mughairy viewed the completion of the FTA as part of Oman's effort to position itself for long-term economic growth. She identified the development of the Sohar region's industrial base and the promotion of its ports in Salalah and Sohar as examples of Oman's commitment to diversify its economy and create jobs for Oman's youth (ref A). In particular, Mughairy cited Dow Chemical's partnership with the government in forming the Oman Petrochemical Industries Company and Bechtel's signing of an agreement to build an aluminum smelter as signs of a robust economic relationship.

LOOKING FOR ASSISTANCE

[1](#)4. (U) Given this backdrop, Mughairy asked for MABC member assistance in identifying both project opportunities and potential obstacles to business growth. Several attendees suggested that the government could make it easier to do business in Oman; provide training for U.S. executives interested in working with Omani counterparts; and facilitate U.S.-Omani business partnerships.

[1](#)5. (U) Mughairy responded that the government currently is working with the private sector to streamline business development regulations, and is working on ways to improve Oman's infrastructure. She also mentioned that OCIPED produces informational brochures for U.S. companies interested in Oman, and she pledged to make these more known and readily available. Finally, Mughairy cited the importance of creating awareness of Oman as essential to developing U.S.-Omani partnerships. She cited a lack of familiarity with Oman, for example, as one factor in a U.S. company's last-minute decision in 2002 to withdraw from developing the Salalah Free Trade Zone.

[1](#)6. (U) Mughairy concluded the meeting by noting the challenge she faces in promoting little-known Oman in the United States. In this regard, she called on MABC members to remain in touch regarding the identification of potential projects and obstacles, and to aid her in talking up the Sultanate as a safe and profitable place to invest and do business.

A Good Start

[1](#)7. (SBU) Mughairy's willingness to accept the MABC's invitation, as well as earlier spending over an hour in consultations with Embassy section chiefs, reinforces our

impression that Mughairy stands to be an active and engaged ambassador. She has a deep familiarity with the U.S., and her background in trade and commerce makes her ideally suited to facilitate eventual ratification of the FTA.

BALTIMORE